

# Press release

## EUROFER welcomes joint EU-US statement on a Global Arrangement on Sustainable Steel and Aluminium

**Brussels, 01 November 2021 – The European Steel Association (EUROFER) welcomes the statement of the EU and the US to tackle jointly shared challenges in the steel and aluminium sectors, including negotiating an arrangement on carbon intensity and global overcapacity, and replacing the current 25% tariff measure of the US Section 232 on EU steel imports by a tariff-rate quota regime (TRQ) based on historical volumes. The arrangement between the US and the EU is a first important step in favour of a globally decarbonised industry in light of COP26 negotiations.**

“We welcome the announcement of the agreement which could be the starting point of a new, transatlantic partnership tackling global trade distortions and climate change together, addressing the inter-linkage between both”, said Axel Eggert, Director General of the European Steel Association (EUROFER). “State-supported steel production and capacity built with CO2 intensive technologies contribute significantly to climate change. The global steel industry is responsible for almost 10% of global direct and indirect CO2 emissions, while the less CO2 intensive EU steel industry accounts for only about 0.5%. The arrangement between the US and the EU is therefore the first important commitment towards a global, market-based and decarbonised industry even before COP26 negotiations have really taken-off”, underlined Mr Eggert.

The EU is already a frontrunner in climate policy with a very stringent cap and trade system which exposes EU industry to unparalleled carbon costs. The successful decarbonisation of the steel sector requires a supportive regulatory framework, including a global level playing field. International cooperation needs to contribute to this objective with concrete and effective measures.

“However, with regard to US import tariffs on steel it is important for EU steel producers exporting to the US that the new provisions, introducing a Tariff Rate Quota (TRQ) system, take into account traditional EU export levels within a stable framework, and that the product exemptions for EU steelmakers already in place are maintained or renewed”, continued Mr Eggert.

This step forward on Section 232 is a positive signal after the EU-US frictions over the past years, which have put transatlantic relations under strain and impacted businesses and consumers alike. It prevents a further escalation in the trade dispute between the two blocks by avoiding

the doubling of the EU tariffs on US goods otherwise kicking in on 1 December 2021 “EUROFER stands ready to contribute to and support constructively the further exchange and work for alignment between the EU and the US, in order to re-build a sustainable global steel market and achieve carbon neutrality in the sector by 2050”, said Mr Eggert.

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## Notes for editors

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### About the European Steel Association (EUROFER)

EUROFER AISBL is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in the United Kingdom and Turkey are associate members.

The European Steel Association is recorded in the EU transparency register: 93038071152-83.

### About the European steel industry

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €170 billion and directly employs 330,000 highly-skilled people, producing on average 160 million tonnes of steel per year. More than 500 steel production sites across 22 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe’s manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.

Steel is the most versatile industrial material in the world. The thousands of different grades and types of steel developed by the industry make the modern world possible. Steel is 100% recyclable and therefore is a fundamental part of the circular economy. As a basic engineering material, steel is also an essential factor in the development and deployment of innovative, CO2-mitigating technologies, improving resource efficiency and fostering sustainable development in Europe.